Organization studies of inequality, with and beyond Piketty

Citation for published version:
Dunne, S, Grady, J & Weir, K 2018, 'Organization studies of inequality, with and beyond Piketty', *Organization*, vol. 25, no. 2, pp. 165-185. https://doi.org/10.1177/1350508417714535

Digital Object Identifier (DOI):
10.1177/1350508417714535

Published In:
Organization

Organization Studies of Inequality, with and beyond Piketty

ABSTRACT

Thomas Piketty's *Capital in the 21st Century* did much to bring discussions of economic inequality into the intellectual and popular mainstream. This paper indicates how business, management and organization studies can productively engage with *Cap21st.* It does this by deriving practical consequences from Piketty's proposed division of intellectual labour in general and his account of 'supermanagers' in particular. There are organizational specificities to inequality which Piketty's framework does not address, however. *Cap21st*'s account of corporate governance, of tax avoidance policy and of financialisation, in particular, requires significant conceptual and empirical supplementation. We argue that business, management and organisational scholars should contribute to the cross-disciplinary inequality research project which *Cap21st* proposes not despite these limitations but because of them.

Keywords: Class Inequality; Thomas Piketty; Division of Intellectual Labour; Corporate Governance; Financialisation

Introduction

> Social scientific research is and always will be tentative and imperfect. It can help to redefine the terms of debate, unmask certain preconceived or fraudulent notions, and subject all positions to constant critical scrutiny. In my view, this is the role that intellectuals, including social scientists, should play, as citizens like any other but with the good fortune to have more time than others to devote themselves to study (and even to be paid for it — a signal privilege) (Piketty, 2014a: 3).

Capital in the 21st Century (henceforth *Cap21st*) is a product of an analytic tradition which studies the facts of economic inequality (e.g. Milanovic, 2012; Stiglitz, 2013; Atkinson, 2015) in order to propose how they might be managed (e.g. Wilkinson and Pickett, 2009; Dorling and Rees, 2003). It has had tremendous influence upon the social sciences and contemporary policy debates alike (see Piketty, 2016; Kunkel, 2014). According to Piketty himself (2015) the book has catalysed, not caused, a wide-spread return to fundamental questions of the causes and consequences of economic inequality. This paper demonstrates that catalyst's importance to our discipline.

Proceeding through over 600 pages of *Cap 21st*'s data, table and graph laden prose, it quickly becomes apparent that this is no manifesto. And yet, it has been filtered through numerous intellectual, practical and ideological agendas, not all of which, as the infamous debate concerning the tension between the book's empirical claims and their methodological support illustrates (Piketty, 2014b), have received it effusively (see also McCloskey, 2014). It remains for an authoritative account of the wider context underpinning the book's voracious consumption. The following *four* factors, at least, would figure within any such account:

1. It provides *the basis for a set of demands* to those whom Western parliamentary democratic systems no longer seem to represent (Crouch, 2004, Standing, 2014).

2. It provides an *economic alternative* to the counter-intuitive return to neo-liberal economic policies in the wake of the 2007-2008 global financial crisis (Brown, 2015; Mazzucato, 2011; Crouch, 2011, Davies, 2014; Mirowski, 2013).

3. It provides *empirical legitimacy* to the contestation of the supposed hegemony of austerity politics (Piketty at al 2015; Palley, 2015).

4. It provides a *means of intensifying* the widely documented calls made by multiple global occupations on behalf of "The 99%" (Graeber, 2013; 2011), against "the 1%" (Wedel, 2015; Dorling, 2015).

Beyond providing its readers with empirical data which they can cite and a conceptual framework which they can use, *Cap21st* also issues an invitation to would be collaborators. While this invitation has been well received across many contemporary social sciences, scholars of business, management and organisation haven't yet been so receptive. This paper both explains and addresses that imbalance.

The paper also underlines why Piketty's framework should not be uncritically adopted. Labour Process Theory and Critical Management Studies, in particular, have examined the organization as a source of inequality in ways we'd do well not to abandon. Disciplinary pretensions aside, there are three features of *Cap21st* itself which prohibit its wholesale adoption. What Piketty has to say about corporate governance, what he has to say about the prospects for redistributive taxation organizations, and what he does not have to say about financialisation prove unfortunately instructive in this regard. Taken together, these are not fundamental constraints but difficult hurdles which should be overcome so that we might study inequality both with and beyond Piketty.

Organization Studies and Inequality

Inequality is inextricably linked to the world of work and organizations (Acker, 2006; Armstrong, 2011; Bapuji, 2015; Braverman, 1974; Burawoy, 1979; Mcguire, 2002). And yet, as has been repeatedly claimed (e.g. Riaz, 2015; Barley, 2007; Hinings and Greenwood, 2002), organization scholars have underplayed the role of organizations in the maintenance, continuation and/or alleviation of economic inequality. How has this neglect been accounted for?

For some, it is the apparently contradictory demands for social scientific detachment, on the one hand, and for interventionist commitment, on the other, which explains the systematic neglect of controversial issues such as inequality (Wray-Bliss, 2003; Weik and Parker, 2013; Fournier and Smith, 2012; Greenwood and Bernardi, 2014; Grey, 2010; George, 2014). The very engagement with inequality, it seems, raises questions over the robustness and reliability of emotionally and politically committed studies. Speaking out, moreover, frequently results in adverse consequences for the speaker (Jack, 2004; Parker, 2014). Many organizational scholars may therefore have elected to analyse less morally and politically loaded phenomena than inequality, so that they can be treated safely and taken seriously (Burrell, 1997; Banerjee, 2008; Fournier and Smith, 2012; Tatli, 2012; Butler and Spoelstra, 2012; Grey, 2010; Parker, 2002). The adverse effects of disciplinary narcissism are by no means unique to our field, though these have repeatedly featured within explanations of why inequality has adopted a largely peripheral status within the discipline.

Explanations of the paucity of studies of inequality regularly highlight the consequences of the long going debate between Labour Process Theory (LPT) and Critical Management Studies (CMS). According to Armstrong (2015), the field’s shift from inequality was more or less endorsed by Alvesson and Wilmott’s (1992) prioritisation of subjectivity and micro-emancipation above inequality and antagonism (see also Armstrong, 2011; Hanlon, 2015). For other prominent exponents of LPT, CMS’s demonstrable fragmentation betrays its practitioner’s intellectual and political ineptitude (Thompson and Ackroyd, 1995). Such complaints are frequently confronted with the achievements and drawbacks of an evolving institutional predicament (Parker, 2014; Bridgman and Stephens, 2008). We will forego a rehearsal of the long-going and frequently ill-tempered divisions between LPT and CMS here (although see Hassard et al 2001 and Bohm and Land, 2012): rightly or wrongly, practitioners of CMS have been held responsible, by practitioners of LPT, for their shared discipline’s underwhelming engagement with inequality.

A third series of explanations of inequality’s underrepresentation emphasises the existence of an implicit scholarly division of labour. On this account, inequality is held as a matter of crucial importance for organizational life which, nevertheless, is better left to the expertise residing in other disciplines (Augier et al., 2005; Davis and Cobb, 2010; Dunne et al., 2008; Riaz, 2015). This explanation, just like the disingenuous pretence to disciplinary objectivity and the disgruntlement against CMS explanations already mentioned, has not been without its detractors. Claims are regularly made against scholarly specialisation and *for* interdisciplinary work (e.g. Grey and Willmott, 2002; Tsoukas, 2016). And simultaneously, against it on grounds of superficial borrowing (Zahra and Newey, 2009), resulting in the loss of credibility (Clegg, 2006) and ceremonial performances (Lilley and Parker, 2016).

Each of these explanations has something important to suggest about why we do not engage with inequality. Rather than treat this as a deliberate shortcoming or calculated disinterest, however, it makes sense to view any seeming neglect as a sociological product of disciplinary evolution. For even more than sociology, organization studies has predominately been written – perhaps even still - in the shadow of economics (e.g. Varoufakis, 2008). The ascent above that shadow required organizational scholars to both assert and demonstrate the existence of extra-economic phenomena so that these could be subsequently investigated and debated. So it should come as little surprise, then, that a discipline which initially defined itself in opposition to economics should be silent on what is so regularly construed as an ostensible economic phenomenon as inequality.

Early pioneers suggest the organization is neither reducible to the utility maximising individual of neoclassical economics nor to the circuitous system of macro-economics (Simon, 1965). The organization, likewise, is not reducible to the firm of institutional economics (Gindis, 2009; see also Dunne et al 2016). We would do well to remind ourselves, then, that organizational scholarship exists today largely because it was convincingly demonstrated, to a sufficient enough number of people, that economics cannot come to terms with the specificity of the organizational form. The price paid for the achievement of disciplinary autonomy, if radical critics of the discipline are to be believed, has been a sustained investigation into the organizational underpinnings of inequality.

Today, however, in an ironic twist, organization studies stands to prosper not by freeing itself from economics but by reformulating its relationship with economics. So *Cap21st*'s implicit cross-disciplinary invitation should not, we think, be suspected in the way of a Trojan horse. As we will see, just like many organizational scholars, Piketty places economic reductionism amongst his enemies. And just like many organizational scholars, Piketty also refuses the epistemological pretence towards hard objectivity. He is a blissfully aware product of the French tradition of the 'public intellectual', announcing it as his role to intervene in wider social issues; he appears engaged in a form of 'public sociology' which we associate with Burawoy today and with C Wright Mills before him (on which see Brook and Darlington, 2013; Dallyn et al., 2015). Organizational scholars could do a lot worse than take Piketty's lead on the matter of inequality.

Piketty's Invitation to Social-Scientific Collaboration

Cap21st's introductory prelude bemoans, respectively, the neglectful de-prioritisation of empirical studies of inequality on the part of the contemporary social sciences:

> the social sciences have largely lost interest in the distribution of wealth and questions of social class since the 1970s. Before that, statistics about income, wages, prices, and wealth played an important part in historical and sociological research. (Piketty, 2014a: 32)

As well as the dismissal of the social sciences on the part of economics:

> To put it bluntly, the discipline of economics has yet to get over its childish passion for mathematics and for purely theoretical and often highly ideological speculation, at the

> expense of historical research and collaboration with the other social sciences. (Piketty, 2014a: 32)

Both statements of regret are instructive for our present concerns. Of the first we can say that, despite Piketty's lamentation of data driven theory building's decline, his book is neither anti-theoretical nor non-theoretical (Piketty, 2014a: 30-33). Part One, most obviously, introduces a series of "basic notions" (*ibid*: 42) and "basic concepts" (*ibid*: 113) which buttress the empirical analysis carried out in the later sections. Central among these foundations is the book's "first fundamental law of capitalism,[i]" the second[ii] of which is held back until Part Two. These two laws, taken together, provide Piketty with a means through which *Cap21st*'s voluminous empirical data can be arranged and analysed[iii]. So it is not until the 24th page that we are treated to the first of the book's ninety-seven "illustrations". And readers of *Cap21st* are required to wait until the 63rd page before capturing so much as a glimpse of its eighteen "tables" (*ibid:* 665-669). The book's empiricism, in other words, is built upon firm theoretical foundations.

Those who turn to *Cap21st* anticipating additional theoretical edification, however, have regularly ended up disappointed (e.g. Savage, 2014; Roscoe, 2014). Theory's role there, while indispensable, is by no means prolonged. This is because *Cap21st* underplays its evaluative disposition on the proportionate 'long-term' distribution of wealth between capital and labour (on which see Cowell, 2014) through a series of earnest appeals to the empirical facts as provided by the World Top Incomes Database (WTID).[iv] As Piketty puts it:

> If this study is to make even modest progress on these questions and at least clarify the terms of a debate that appears to be endless, it will be useful to begin by establishing some facts as accurately and carefully as possible. (*ibid:* 41)

An informative if predictable series of commentaries have underlined similarities and differences between Marx's *Capital* and *Cap21st* (e.g. Read, 2015; Harvey, 2014; Wright, 2015) but Piketty's claim to have advanced on Marx's analysis has less of the agitating militant and more of the policy oriented social scientist about it (see Dolceroca and Terzioglu, 2014; Jones, 2014). If Piketty is interested in the theological subtleties and metaphysical niceties of today's financialized commodity form, his interest presides outside of *Cap21st* (see Toscano and Woodcock, 2015 and Derrida, 1994). Alongside Marx, the spectres of Ricardo, Smith, and Kuznets are also evoked and exorcised throughout *Cap21st*, not because Piketty has developed a new theory of capital but because he has accessed and analysed new empirical evidence concerning capital's evolution:

> I had two advantages over previous authors. First, this work benefits, naturally enough, from a longer historical perspective than its predecessors had… Second, advances in computer technology have made it much easier to collect and process large amounts of historical data. (*ibid:* 19-20)

Despite such vocational humility in the presence of the newly available evidence, however, Piketty is more than alive to the pitfalls of data fetishism. So while he clearly favours the explanatory power of evidence above that of theory, he nevertheless acknowledges that social scientists unavoidably adopt an interpretive – if not evaluative - position towards their objects. Even the robust artefacts of "national accounts", Piketty willingly acknowledges, need to be appreciated by social scientists as:

> a social construct in perpetual evolution. They always reflect the preoccupations of the era when they were conceived. We should be careful not to make a fetish of the published figures (*ibid:* 58).

So the perils of data fetishism, according to Piketty, cannot be ultimately eliminated though it can be tempered through a pragmatic interpretive disposition. Reflexivity is Piketty's hygiene test for reification and, for all of his dutiful capitulation to the data, he harbours no pretences towards any strong notion of objectivity:

> Provided we use these data with caution and in a critical spirit and complement them with other data where there are errors or gaps (say, in dealing with tax havens), these national accounts are an indispensable tool for estimating aggregate income and wealth. (*ibid*: 58-9)

Piketty writes these words as an economist deeply suspicious of his own discipline's superiority complexes. Against 'economics imperialism' (cf. Fox, 2013) Piketty urges cross-disciplinarity. All social scientists, he believes, have an important role to play in the ongoing investigation of inequality. Just so many collaborative research projects undertaken along cross-disciplinary lines and in accordance with an expertise-derived division of intellectual labour, however, will not eventually produce a pure account of inequality which is uncontaminated by interpretation and/or evaluation. Cross-disciplinary collaboration, for Piketty, nevertheless provides a better chance of improving our understanding of inequality than the wilfully myopic alternative of disciplinary prioritisation or inter-disciplinary turf-wars. In a recent keynote speech to sociologists which discussed *Cap21st* at length, Michael Burawoy welcomed this challenge. Inequality, he affirmed, "is not just something external to us, but also invades our own world" (2015: 5). In so doing, Burawoy broadened the experience of inequality beyond a narrow sociological or economic specialism.

Piketty's Division of Social-Scientific Labour

Throughout much of the previous century, in Britain, the income gap between the richest and the poorest steadily narrowed. In 1918, 19% of all annual income fell to the top 1%. This figure fell to 14% in 1935, to 12% in 1960, to 7% in 1970 and to 6% in 1980 (Dorling, 2010: 400). For Nobel Prize winning economist Simon Kuznets (1953), the shortening income gap was a natural consequence of economically advanced democratic societies (see also Piketty, 2014a: 1-14). During the last 30 years, however, the long-term trend of reduced national and global rates of income inequality has been reversed. By 1992, the top 1% accounted for 10% of national income. In 2001 this rate stood at 13% and by 2005 it was almost back up to its 1918 level, at 16% (Dorling, 2010: 400, see also Hills, 2010, Dorling, 2015 and Hulme and Toye, 2013). The detailed empirical analyses of *Cap21st* observe the same general trend analysed by Danny Dorling and other contemporary scholars of inequality, both within and beyond Britain. The gap between the rich and the poor has steadily decreased from the end of the first quarter of the 20th century onwards. That convergent trend was reversed from the beginning of the final quarter of the 20th century onwards, however, with the gap between the rich and the poor increasing since then.

Piketty regularly raises the possibility that these rates of inequality could return to their early 20th century levels, or even higher. This, he believes, should give social scientists and democratic citizens ample cause for concern. And so it is the role of contemporary social scientists working together, Piketty believes, to understand these developments as rigorously as possible, so that they might be harnessed. An impassioned vocational commitment to the minimisation of inequality alone on the part of social scientists will not be sufficient. For without robust evidence, policy suggestions can be very easily discredited. The principal responsibility of the contemporary social scientist set on addressing growing levels of inequality, then, is to provide both the facts and an explanation of the factors which underpin them.

So what are these factors underpinning the fact of inequality's gradual re-emergence? According to Piketty, discounting the important roles played by militarily induced economic activity and the occasionally convergent effects of technological innovation, there are two principal factors which have defined 20th century economic inequality's recent return to divergence. We will turn to the second of these – the evolution 'from a society of rentiers to a society of managers' (2014a: 276) in the next section. The first of these factors is the structural constraint upon class mobility which derives from the capacity of the well born to inherit property. "Make no mistake", Piketty puts it, "the growth of a true 'patrimonial (or propertied) middle class' was the principal structural transformation of the distribution of wealth in the developed countries in the twentieth century" (*ibid.*: p. 260).

The predicament of today's rent-paying Parisian who will probably never set foot upon the first rung of the elusive property ladder, Piketty suggests, is the flip side to that of Honoré Balzac's 18th century Goirot's children, the high-standing of whom was precipitated by their father's appreciation of the intergenerational advantages accruing to property owners. Likewise, the contemporary Londoner knows only too well the structurally disadvantageous consequences of their family's not having been party to the complexities of managing an internationally diverse property portfolio, just as many of Jane Austen's characters experienced precisely the opposite. And so Piketty asks:

> What actual changes have occurred in the structure of capital since the eighteenth century? Père Goriot's pasta may have become Steve Jobs's tablet, and investments in the West Indies in 1800 may have become investments in China or South Africa in 2010, but has the deep structure of capital really changed? (*ibid.*: 115)

Later on, returning to *Père Goirot* and in what he goes on to call 'the darkest moment of the novel' (*ibid.:* 239), we find Piketty's analysis of 'Vautrin's Lesson' (*ibid.:* 238-240). Although set in the 1800s, the novel's 'cynical' Vautrin explains to its 'worthy' Rastignac something which, after the convergent trends of mid-20th century capitalism has dissipated, might well strike contemporary landless citizens who hold little hope of inheriting property as eminently prudent if slightly contemptible:

> In substance, Vautrin explains to Rastignac that it is illusory to think that social success can be achieved through study, talent and effort…the strategy for social success that Vautrin proposes to Rastignac is a bit more efficient. By marrying…he will immediately lay hands on a fortune (*ibid.:* 239-240).

There are important differences between the rent-seeking capitalism of the 18th and 19th century and the industrialised – and later financialised – that have come to replace it: the no longer relatively stable rates of return accruing to capital ownership not least of all. What makes Vautrin's lesson one which might be listened to if not necessarily heeded today, Piketty suggests, is that in a situation in which economic growth seems to have become stagnant, and after monetary bearings have become lost, the advantages accruing to those who already own capital becomes intensified (*ibid.:*72-109; 232-233). We are, Piketty suggests, witnessing a return to aspects of the class dynamics which characterised the 18th and 19th centuries whereby your family's property which you stand to inherit, determines your life chances to a much greater extent than your ability – understood either as a seller of labour or as an agent of entrepreneurship – ever could. So *Cap21st* dispels the myth of contemporary capitalism's meritocratic nature (see also Castilla, and Bernard, 2010; Littler, 2013; O' Brien et al, 2016), by highlighting how inherited wealth is one of contemporary inequality's crucial underpinnings.

Whereas it falls to the economist to measure the distribution of wealth over time, it falls to non-economists, Piketty asserts, to investigate how given levels of economic inequality become rendered justifiable, or not. The economist should thus seek to establish the evolving levels of inequality while non-economists, working on their own apportioned part of the inequality puzzle, should elucidate the ongoing dynamics of contestation and/or the gradual processes which explain the normalisation of these levels:

> economics should never have sought to divorce itself from the other social sciences and can advance only in conjunction with them. The social sciences collectively know too little to waste time on foolish disciplinary squabbles. If we are to progress in our understanding of the historical dynamics of the wealth distribution and the structure of social classes, we must obviously take a pragmatic approach and avail ourselves of the methods of historians, sociologists, and political scientists as well as economists. (2014a: 32-33)

A cross-disciplinary roll-call then: sociology, psychology, cultural history, political history and the more general study of beliefs and perceptions (Brown and Spencer, 2014; Skeggs, 2015). What appears missing, however, is recognition of the contribution made by our discipline to a socially scientific collaborative understanding of inequality throughout *Cap21st*, even in passing.

We could react to such omission by prematurely opposing Piketty's invite, interpreting it as a patronising sleight or an ignorance which requires disciplinarily partisan counter-active remedy. Or, as we instead recommend, we could elect to work with *Cap21st*, asking in the first instance not how our work on inequality can negate Piketty's but what Piketty's account of super-managers can bring to our ongoing investigations.

Organization Studies of Inequality, with Piketty

Super-managers, Piketty has demonstrated, have become indispensable agents of contemporary inequality's exacerbation: there cannot be many areas within our field which can proceed unaffected by this factual claim. And so, we speak of Piketty's *implicit* invitation to organizational scholars to join his cross-disciplinary collaborative project. For Piketty's concern with super-managerialism - the ability of senior corporate executives to negotiate their own remuneration packages - and the manner of its justification, both can and should be interpreted as a collaboration invitation to scholars of business, management and organization scholars.

Having demonstrated that the extant levels of executive compensation within Britain and the United States have, since the 1980s, come to dwarf non-Anglo-American managerial remuneration levels, Piketty highlights the question of the legitimacy of levels of inequality as one which non-economists need to be asking. Immediately after doing so he goes on to make the following telling concession:

> This approach to executive compensation in terms of social norms and acceptability seems rather plausible a priori, but in fact it only shifts the difficulty to another level. The problem is now to explain where these social norms come from and how they evolve… The problem of inequality is a problem for the social sciences in general, not for just one of its disciplines (2014a: 333).

The rise of the economic inequality exacerbating super-manager which Piketty's evidence reveals still requires explanation, by his own admission, at the level of its normativity as well as at the level of its organizational manifestation. The question organizational scholars need to be asking, following Piketty, is not *whether* super-managers are overpaid: this question is much too loaded for it to be addressed social-scientifically. The question we rather need to be asking is *how*, given the vast and growing gap between supermanager remuneration levels relative to those of the vast majority of contemporary employees, such disparities have been opposed, tolerated, justified or celebrated:

> The explosion of supermanager salaries should of course be seen in relation to firm size and to the growing diversity of functions within the firm. But the objectively complex problem of governance of large organizations is not the only issue. It is also possible that the explosion of top incomes can be explained as a form of "meritocratic extremism," by which I mean the apparent need of modern societies, and especially US society, to designate certain individuals as "winners" and to reward them all the more generously if they seem to have been selected on the basis of their intrinsic merits rather than birth or background (2014a: 334).

Whereas the responsibility for providing an account of the factors underpinning or hindering the development of 'meritocratic extremism' falls to the sociologist (e.g. McCall, 2014; Ridgeway, 2014), the complexities of corporate governance implicitly fall within the remit of the organizational scholar. Piketty repeatedly insists that the majority of contemporary executive remuneration packages no longer relate to discernible levels of firm performance. So in order to track contemporary inequality's evolution, it will not be enough for economists to analyse the contents of the WTID, or for sociologists to explain why this or that economic ideal manifests. We – that is to say organizational scholars – will also need to demonstrate the active role which changes in the corporate form itself have had upon measurable levels of economic inequality. This is not to suggest that the contemporary corporate form exists *for the sake of* concealing massive wage disparities between the few and the many, it is rather to insist that the seemingly arid terrain of corporate governance is a fertile ground upon which organizational scholars might productively contribute to Piketty's cross-disciplinary programme.

There is also important work for organizational scholars to do, with Piketty, on the question of taxation. The legal form through which a given organization is incorporated has tax implications. Since taxation is a mechanism of wealth (re-)distribution, scholars investigating inequality should take an interest in an organizations legal incorporation (Veldman 2013; Veldman and Willmott 2013). Organizations, just like individuals, are entitled to minimise their tax burden within the limits of the law. The relationship between individuals, organizations and tax-law is not always absolutely asymmetric, however. Think-tanks, in particular, exist for the sake of lobbying governments, often on behalf of corporations, though sometimes also on behalf of individuals, on a variety of political-economic issues, taxation notably among them (Savage, 2016; Cave and Rowell, 2014; Carter and McKinlay, 2013). The following statement, from Piketty, provides a further list of issues which organizational scholars who seek to work alongside him might productively elaborate upon:

> the decrease in the top marginal income tax rate led to an explosion of very high incomes, which then increased the political influence of the beneficiaries of the change in the tax laws, who had an interest in keeping top tax rates low or even decreasing them further and who could use their windfall to finance political parties, pressure groups, and think tanks. (2014a: 335)

So far, we have argued that Piketty's work matters to scholars of inequality. Piketty's research philosophy, we continued, encourages cross-disciplinary collaboration which is predicated upon a sense of an expertise-driven intellectual division of labour. While Piketty doesn't allot specific inequality researching tasks to the organizational scholar, we derived two areas which we are implicitly invited to investigate further with him: corporate governance as it pertains to 'supermanagers' and processes of corporate tax lobbying through the figure of the think-tank. It remains for us to highlight some of the shortcomings of Piketty's implicit collaboration invitation, in its present formulation.

Organization Studies of Inequality, beyond Piketty

Despite the positive case we have made for it so far, Piketty's analysis of the evolution of the relative rates of executive remuneration nevertheless begs an important question: how have organizational structures and cultures transformed during the corresponding period? This is a significant but by no means irreversible oversight on Piketty's part since the basis of an answer can be developed in collaboration with contemporary business, management and organization studies. Studies of corporate governance, of corporate taxation and of financialisation provide a firm basis upon which organizational scholars might distinctively contribute to Piketty's cross-disciplinary collaborative project.

The Organizational Specificity of Governance

Piketty demonstrates that the remuneration packages and compensation schemes of CEOs and related directorship-positions have changed since the 1980s through the incorporation of equity-based compensation alongside, and in some cases at the expense of, traditional waged labour. This, he continues, has led to increased income inequality whereby CEOs and executive directors take advantage of the tax breaks consequential to the revised remuneration packages which they have been capable of negotiating for themselves. Such practices, Piketty argues, has led to the gradual concentration of wealth amongst supermanagers at the vastly disproportionate expense of non-managerial labourers and non-executive managers alike. Piketty's proposal to tax wealth - and not merely income - is conceived as a means of reversing this trend. He therefore encourages a tax-focus on all areas of the super-manager's income, not merely the waged component.

Contemporary corporate governance scholarship suggests, however, that any systematic change to existing compensation structures is unlikely to succeed. Ongoing debates highlight the role played by institutionalised regulator embeddedness and shareholder conservatism. Commenting on why the EU rejected popular proposals to cap executive bonuses, for example, The EU Advocate General argued:

> Fixing the ratio of variable remuneration to basic salaries does not equate to a 'cap on bankers bonuses', or fixing the level of pay, because there is no limit imposed on the basic salaries that the bonuses are pegged against (c.f. Miller, 2014).

Krugman (2007) also outlines the general disinclination to pursue changes to existing compensation packages, claiming instead that the market has effectively accepted compensation schemes as the most efficient means of punishing under-performing CEOs. Many studies indicate that this hypothetical rationale bears out empirically (Jensen and Murphy, 1990; Edmans et al., 2009). The influence of agency theory's classical claim that CEOs need to be appropriately incentivized in order to perform in accordance with the interests of shareholders vis-a-vis shareholder wealth maximization shows few signs of withering away, despite compelling counter-arguments (e.g. Ghoshal, 2005; Barkema and Pennings, 1998).

With executive managerial decision-making increasingly focused on the market valuations of companies based on share price, investor returns and creating market confidence, labour costs, are reduced by whatever means necessary (Cushen and Thompson, 2016). Contextual evidence for this claim can be seen in the increasing use of performance management in corporate restructuring (Lazonick and O'Sullivan, 2000), in the closure of final salary pensions schemes (Langley, 2004), in the development of strong hierarchical and financial controls, and, more generally, in the imperative of 'doing more with less'. These various agency theory sanctioned activities are also said to have created a new form of "disconnected capitalism" (Thompson, 2003), where specific deals done by particular managers and Human Resource departments need not be honoured in the longer term. Clark (2009:777) also suggests that the onset of this 'private-equity business model' (PEBM), further diffuses the inability of employers to invest in employees, given that 'investor-owner interests are of growing prominence to the relative exclusion of other stakeholders'. Contemporary executive management today therefore presupposes the simultaneous squeezing of labour and monetization of assets (Thompson and Harley, 2012: 1374) where labour is usually 'the first casualty' of corporate restructuring (Froud et al., 2000: 771). To suggest executive remuneration packages are at the root of economic inequality, in the way of Piketty, is only to beg a series of political questions meted out at the organizational level.

The legal form of the contemporary corporation also poses a significant challenge to any reform which sets its sights on the reduction of inequality via the redistribution of allegedly unfairly gotten wealth. While for Piketty, corporate wealth disproportionately falls to those who control the organization – the supermanagers – recent research has made a political-economic issue of how the incorporation of the corporate legal person provides for the legally sanctioned minimisation of the executive's tax liability (Veldman and Willmott, 2013; Veldman, 2013; Corporate Reform Collective; 2014). Bebchuk and Fried (2004) have also considered the corporate legal form to be a significant reformist stumbling block. The relative power of directors and compensation committee executives to determine corporate decisions, they argue, can disenfranchise shareholders (see also Conyon, 2006). While shareholders can of course veto compensation arrangements if, *ex-post*, such arrangements were seen as wasteful or 'so irrational that no reasonable person could approve it' (Bebchuk and Fried, 2004: 46), the evidence for the success of these and related instances of 'shareholder activism', is mixed at best (Krugman, 2007; Ferri and Maber, 2009; Ertimur et al., 2011; Goranova and Ryan, 2014).

Successful or not, shareholder activism is in no way reducible to Piketty's argument for direct political intervention into the organization's already complicated affairs. It nevertheless suggests an unlikely confluence between Piketty's social-democratic politics, on the one hand, and the disenfranchised shareholder class, on the other, united as they both are in their vilification of the supermanager. The complexity of shareholder-CEO relations are therefore a matter on which organizational scholars and Piketty might work together if inequality is to become sufficiently appreciated across its many disciplinary dimensions.

The Organizational Specificity of Tax

In the lead up to the publication of *Cap21st*, Piketty and Saez (2007; 2012; 2013) modelled a series of progressive tax scenarios with respect to their hypothetical economically redistributive consequences. On inheritance tax, they found (2012; 2013) that a lifetime capital tax model alongside wealth taxation could act as a progressive solution of a socially optimal taxation system. With specific reference to the US federal tax system for individuals, they also found (2007) that the progressiveness of the taxation system has declined since the 1960s, especially with respect to top earners. Resonating with *Cap21st*, they claim that increases in the income levels of the top 0.01% of earners, especially US CEOs, is merely a reward for good luck, rather than talent (Piketty et al., 2014) and that higher individual tax rates for top earning CEOs, in the US, would dissuade “wasteful bargaining” (*ibid*.: 260) for additional remuneration. Viewing this additional income as unearned, owing more to market-based luck than actual CEO performance, Piketty et al. (2014: 269) suggest that there may be a social perception that this income is therefore unfairly earned: the case for a progressive tax system thereby becomes stronger. Such suggestions, coupled with the conclusions of *Cap21st*, have resonated with political commentators (Jones, 2014), economists (Milanovic, 2014), and journalists (Wedel, 2015) united in the apparent assumption that social democratic economic principles might reverse the worst excesses of financialised economic inequality.

One of the principal benefits which a diversified organizational structure allows for, however, is the exploitation of potential tax gains. Multi-national corporations routinely compete with one another today by adopting a series of inventive residency shifts which serve to minimise their tax burden (Sikka, 2010; 2012), as illustrated though the case of the Panama Papers and Luxleaks 2013. Contemporary sovereign states similarly compete with one another through their provision of corporate and organizational tax allowances (Murphy, 2011; Beverungen et al, 2012a). Think of the Republic of Ireland's peculiar relationship to Apple, where in a seemingly bizarre move, the national government protested a European Commission ruling that Apple should pay uncollected tax benefits of up to €13 billion (Department of Finance, 2016). It is because global tax rates differ across geographical and legal jurisdictions that organizational tax havens (Slemrod and Wilson, 2009; Bucovetsky, 2014) and/or complex tax loopholes have become almost as controversial as they are lucrative. Individual sovereign states, for their part, would also be adversely affected by the implementation of a globally standardized tax policy. These losses would come not only through the potential loss of taxable revenue previously accruing from footloose organizations but also through the growth in the associated administrative costs of tax collection (Slemrod and Wilson, 2009).

Not only are contemporary organizations required by the agency theory sanctioned axiom of shareholder wealth maximisation to respond to tax policy, they also frequently engage in extensive lobbying activities for the sake of affecting - or delaying – the instigation of new taxation infrastructures (Barley, 2010; Harvie et al., 2012). The growth in the bargaining power of contemporary organizations with respect to their tax burden suggests oligopolistically derived privileges. According to Foster and McChesney (2012), the largest 200 US corporations in 1950 accounted for approximately 21% of gross profits in the US economy. By 2008 this level had grown to 30% which, in turn, accounted for 40% of all world income. Such proportionate levels of wealth have translated directly into disproportionate levels of political power. Corporations, imbued by wealth-maximisation, aim to tilt tax policies in their favour, thereby exacerbating economic inequality. Executives too play an active role in both influencing the politics of tax and in avoiding their organizational tax burden (Dyreng et al., 2010).

Piketty and Saez's hypothetical scenarios remove tax competition between different nation states from their models. They also skirt over the fact that some of the complexities of corporate governance discussed in the previous section provide the foundations for the contemporary organization's drive to legally minimise its tax liability. Such complexities of organizational tax arrangements require us to cast considerable doubt upon the reality congruence of *Cap21st*'s progressive taxation policies. Any progressive tax proposals, Piketty's included, will be both vociferously contested and imaginatively embraced as a matter of contemporary organizational course. These shortcomings of Piketty's work are significant though not insurmountable. It would again fall to organizational researchers to bring such insights to bear upon any cross-disciplinary collaborative project concerning inequality.

The Organizational Specificity of Finance

Access to money – to finance - has a crucial role to play in the global distribution of wealth and income. The rate of return on financial assets regularly differs from *g*, the rate of economic growth at the foundation of Piketty's laws of capitalism. Consequentially, even sympathetic assessments of *Cap21st* have been drawn to criticise its account of money and, by association, its appreciation of the role played by financial agents in the production of inequality. While technological innovation, access to education, patrimonial inheritance allowances and supermanager privilege are indispensable to Piketty's inequality puzzle, a coherent account of money appears to be a vital yet missing piece.

Galbraith (2014) describes inequality as an outcome of the gradual devaluation of the monetary value of wages relative to the growth in the market value of financial assets. His work forms part of an established tradition which considers the contribution of the proliferation of financial instrument trading and the expansion of global capital markets - in which large corporations can be active investors since the 1980s (for example Arnold, 2009) and even since the 2007-2008 global financial crisis - to contemporary rates of economic inequality. Also missing from *Cap21st* is an empirical description of the role played by the deregulation of financial markets in the exacerbation of inequality. For this we need to turn, for example, to Mirowski (2013) who documents the gradual erosion of legal constrains upon financial markets and to Lazzarato (2012) who describes the corresponding growth in consumer indebtedness during the same period. Our point here is not that Piketty ignores these developments or even that he is unconcerned by them, but that his analysis does not grant them sufficient explanatory power, treating them, rather, as epiphenomenal. Such is the remit of the economist. We should seek to do otherwise.

The fundamentally complicated role played by money and finance within both contemporary capitalism and everyday life (see also Bjerg, 2014; Dodd, 2014; Lanchester, 2014) grants the term 'financialisation' a heightened degree of currency within analyses of inequality.

Financialisation, in the narrow political economic sense, names an historical epoch in the capitalist mode of production when profits increasingly accrue through financial channels, rather than through production-oriented activity (Arrighi, 1994; Krippner, 2005). For example, non-financial organizations now derive profits from financial activities while disinvesting from core production and service activities (Van der Zwan, 2014). Financialisation, in the broader sociological sense, also names the process whereby individuals, households and organizations bear more of the risks which the state, the would-be lender of last resort to the banking sector, had previously assumed. As one IMF report put it over a decade ago:

> Overall, there has been a transfer of financial risk over a number of years, away from the banking sector to nonbanking sectors….This dispersion of risk has made the financial system more resilient, not the least because the household sector is acting more as a "shock absorber of last resort (2005: 89).

It is because individuals, households and organizations are now taking on more risk, according to the IMF, that heightened levels of financial literacy are now required. Note, as Bryan et al (2009) point out, that the problem, according to the IMF, is not one of the misallocation of a series of risks which need to be reallocated to sovereign states. Such transfers of risk from states to citizens (Hacker, 2006), and from employers to employees (Bryan et al, 2009) – what Randy Martin referred to as the 'financialization of daily life' (Martin 2002) – now strikes us as almost natural (Eagleton, 1991, Overbeek 1990, Grady, 2010). Financialisation, then, labels:

> the increasing importance of financial markets, financial motives, financial institutions, and financial elites in the operation of the economy and its governing institutions, both at the national and international levels (Epstein, 2001: 3)

Financialisation has ensured that corporate and financial elites play an increasing role within political affairs (Grady 2013, Savage and Williams 2008, Daguerre 2014), including by presiding over the privatization of social welfare whereby individuals concerned with their futures are now effectively required to purchase insurance policies. Organization scholars have demonstrated recent interest in how these processes produce inequality (e.g. Riaz et al., 2011; Froud et al, 2010; Murphy and Ackroyd, 2013; Beverungen et al 2012b). Critical accountants, in particular, have led the way in this regard (for example, McSweeney, 2009; Sikka, 2009) and, while theorists have also considered these questions (DeCock et al, 2011; Harney, 2011), they have tended to do so without any pretence to the general theory of inequality which *Cap21st* proposes. In order for us to be capable of describing the contribution of processes of financialisation to global inequality, we need more by way of conceptual and empirical work: Piketty's laws of capitalism cannot ground this particular task.

Conclusion

If organizational scholars are to make productive insights of and meaningful interventions into contemporary inequality, they will require the tools, the insights and, above all, the cross-disciplinary alliances provoked by *Cap21st*. Piketty's work, as we have also claimed, stands to gain much from extant organizational scholarship.

Just like economists, sociologists and historians, organizational scholars too might seek, as Piketty puts it within this paper's epigraph, to "inform democratic debate and focus attention on the right questions” (Piketty, 2014a: 3). We have followed Piketty’s advice in detail for the sake of describing how contemporary scholars of business, management and organization might research inequality, alongside other social scientists. Towards this end, we have signposted tentative work in this area. A lot more needs to be done, and we believe that Piketty provides a meaningful framework for this scholarship.

It should nevertheless be acknowledged, alongside recent commentators (Harvey, 2014; Wright, 2015) that *Cap21st* underplays class-antagonism as an agent of history, prioritising, instead, the empirical description of income and wealth over time and across space. This, as we have noted above, has put him out of favour with many contemporary Marxists. We can nevertheless say, with Savage (2014), that, by drawing attention to super-managers, that is to say, elites (see also Maclean et al., 2010; Reed, 2012; Therborn, 1978; Mills, 1956), *Cap21st* can be read from the perspective of class antagonism. Piketty probably wouldn’t mind while the comrades could be assuaged. One of the most important lessons to be taken from *Cap21st* is that a collaborative investigation into inequality must override inter-disciplinary and sub-disciplinary squabbles. Only then can we develop better understandings of the object of inequality so that better informed interventions can be made.

Cap21st does not mention business, management and organization scholars as potential allies by name but it does harbour an implicit invitation of our expertise. So bandwagon hitching might well be alleged of what has been stated above. *Cap21st*, after all, has achieved levels of popularity (and notoriety) which most economists and social scientists dare not even have dreamed of. Pedants may keep their anti-populist purity all to themselves. For us, *Cap21st*’s prominence is something which organization scholars concerned with inequality should seek to engage with and, if possible, capitalise upon. It would be churlish, not to mention counter-productive, for us to ignore what the text has to say, not least of all because it makes a collaborative invitation to non-economists like us to contribute to an epistemologically robust series of political interventions.

We are not criticising Piketty for not understanding organizations properly: it is clear that is not the intended contribution of *Cap21st*. We are also not criticising organization scholars for not caring about inequality: clearly many do. Our contribution here is rather a synthetic one. That is: we have not simply listed what Piketty can bring to organizations studies, on the one hand, and what organization studies can bring to Piketty, on the other. Instead, we have illustrated the organizational specificities of the structural issues raised by Piketty as well as indicated how future organizational research on inequality might proceed.

In an era that has delivered both the rise of Donald Trump as US President and the demise of the expert, it seems entirely anachronistic to suggest that social scientists have an important role to play within contemporary political debates. And yet that’s the gamble which Piketty still suggests we should make. We concur. While the case had been made for organizational scholars concerned with social issues to pin their hopes on Corporate Social Responsibility (Walsh et al., 2003), *Cap 21st* underlines the promise of turning instead to the contribution of organizations to the problem of inequality. Organization scholars should, we claim, work both with and beyond Piketty, in some of the ways we have outlined here, though not, of course, just these.

Bibliography

Acker, J. (2006) 'Inequality Regimes Gender, Class, and Race in Organizations', *Gender & Society*, 20(4), 441-464.

Alvesson, M. and Wilmott, H. (1992) 'On the Idea of Emancipation in Management and Organization Studies', *Academy of Management Review*, 17(3), 432-464.

Armstrong, P. (2011) 'Budgetary Bullying', *Critical Perspectives on Accounting*, 22(7), 632-643.

Armstrong, P. (2015) Emancipation within managerial capitalism? Varieties of freedom and the systematic production of social inequality. Paper presented at The 9th International Conference in Critical Management Studies University of Leicester, 8-10 July 2015.

Arnold, P.J. (2009) Global financial crisis: The challenge to accounting research. *Accounting, Organizations and Society*, 34(6-7), 803-809.

Arrighi, G. (1994). *The long twentieth century; Money, power, and the origins of our times*. London: Verso.

Atkinson, A. B. (2015). *Inequality: What can be done?* Harvard: Harvard University Press.

Augier, M, March, J. G. and Sullivan, B. N. (2005) 'Notes on the evolution of a research community: Organization studies in Anglophone North America, 1945-2000', *Organization Science*, 16(1), 85-95.

Banerjee, S. B. (2008) 'Corporate social responsibility: The good, the bad and the ugly', *Critical Sociology*, 34(1), 51-79.

Bapuji, H. (2015). Individuals, interactions and institutions: How economic inequality affects organizations, *Human Relations*, 68(7), 1059-1083.

Barkema, H. G. and Pennings, J. M. (1998) 'Top management pay: Impact of overt and covert power', *Organization Studies*, 19(6), 975-1003.

Barley, S. R. (2007). Corporations, democracy and the public good. *Journal of Management Inquiry*, 16: 201-215

Barley, S. R. (2010). Building an institutional field to corral a government: A case to set an agenda for organization studies. *Organization Studies*, 31(6): 777-805.

Bebchuk, L.A. & Fried, B. (2004). *Pay without performance: The unfulfilled promise of executive compensation*, Cambridge: MA.: Harvard University Press.

Beverungen, A., C. Hoedemaekers & J. Veldman (2012a). Charity and finance in the university. *Critical Perspectives on Accounting*, 25(1), 58-66.

Beverungen, A., S. Dunne & C. Hoedemaekers (2012b). The financialisation of business ethics. *Business Ethics: A European Review*, 22(1), 102-117.

Bjerg, O. (2014). *Making Money: The Philosophy of Crisis Capitalism*. London: Verso.

Bohm, S. and Land, C. (2012) 'The new 'hidden abode': reflections on value and labour in the new economy', *The Sociological Review*, 60(2), 217-240.

Braverman, H. (1974) *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century*. New York: Monthly Review Press.

Bridgman, T. & Stephens, M. (2008). Institutionalizing Critique: A Problem of Critical Management Studies. *ephemera: theory and politics in organization*, 8(3), 258-270.

Brook, P. & Darlington, R. (2013). Partisan, scholarly and active: arguments for an organic public sociology of work. *Work, Employment and Society*, 27(3), 240-251.

Brown, W. (2015). *Undoing the Demos: Neoliberalism's Stealth Revolution.* New York: Zone Books.

Brown, A. & Spencer, D. A. (2014). Understanding the Global Financial Crisis: Sociology, Political Economy and Heterodox Economics. *Sociology*, 48(5), 938-953.

Bryan, R., Martin, R., & Rafferty, M. (2009). Financialization and Marx: Giving labor and capital a financial makeover. *Review of Radical Political Economics*, 41(4), 458-472.

Bucovetsky, S. (2014). Honor among tax havens. *Journal of Public Economics*, 110, 74-81

Burawoy, M. (2015). Facing an unequal world. *Current Sociology*, 63(1), 5-34.

Burawoy, M. (1979) *Manufacturing Consent: Changes in the labor process under monopoly capitalism.* Chicago: Chicago University Press.

Burrell, G. (1997) *Pandemonium: Towards a Retro-Organization Theory.* London: Sage

Butler, N. and Spoelstra, S. (2012) 'Your excellency', *Organization*, 19(6), 891-903.

Carter, C., & McKinlay, A. (2013). Cultures of strategy: Remaking the BBC, 1968–2003. *Business History*, 55(7), 1228-1246.

Castilla, E.J. & Bernard, S. (2010). The paradox of meritocracy in organizations. *Administrative Science Quarterly*, 55(4), 543-676.

Cave,T. & Rowell, A. (2014), *A quiet word: Lobbying, crony capitalism and broken politics in Britain.* London: The Bodley Head.

Clark, I. (2009). Owners and managers disconnecting managerial capitalism? understanding the private-equity business model. *Work, Employment and Society*, 23(4), 775-786.

Clegg, S.R. (2006). The neglect of total institutions. *Journal of Management Theory*, 15(4), 426-430.

Conyon, M.J. (2006). Executive compensation and incentives. *Academy of Management Perspectives*. 20, 25–44.

Corporate Reform Collective (2014). *Fighting corporate abuse: Beyond predatory capitalism.* London: Pluto Press.

Cowell, F. (2014). Piketty in the Long Run. *British Journal of Sociology*, 65(4), 708-720.

Crouch, C. (2011). *The Strange Non-death of Neo-liberalism*. London: Polity.

Crouch, C. (2004). *Post-Democracy*. London: Polity.

Cushen, J. and P. Thompson. (2016) Financialization and value: why labour and the labour process still matter, *Work, Employment and Society*, 30(2): 1-14.

Daguerre, A. (2014). New corporate elites and the erosion of the Keynesian social compact. *Work, Employment and Society*, 28, 323–334.

Dallyn, S., M. Marinetto & C. Cederström (2015). The academic as public intellectual: Examining public engagement in the professionalised academy. *Sociology*, 49(6): 1031-1046.

Davies, W. (2014) *The Limits of Neoliberalism: Authority, sovereignty and the logic of competition*, London: Sage.

Davis, G.F. & Cobb, J.A. (2010). Corporations and economic inequality around the world: The paradox of hierarchy. *Research in Organizational Behavior* 30, 35–53

De Cock, C., Baker, M, & Volkmann, C. (2011). Financial phantasmagoria: corporate image-work in times of crisis. *Organization*, 18, 153-172.

Department of Finance (2016) Republic of Ireland Department of Finance Press Release, https://www.rte.ie/documents/news/dept-of-finance.pdf (last accessed 19 March 2017)

Derrida, J. (1994) *Spectres of Marx*. London: Routledge.

Dodd, N. (2014) *The Social Life of Money*. Princeton, NJ. : Princeton University Press.

Dorling, D. (2015) *Inequality and the 1%*. London: Verso.

Dorling, D. (2010) 'New labour and inequality: Thatcherism continued?' *Local Economy*, 25(5-6), 397-413.

Dorling, D. and Rees, P. (2003) 'A Nation Still Dividing: The British Census and Social Polarisation 1971-2001', *Environment and Planning A*, 35(7), 1287-1313.

Dyreng, S.D., Hanlon, M., & Maydew, E.L. (2010). The effects of executive on corporate tax avoidance. *The Accounting Review*, 85(4), 1163-1189.

Dunne, S. Harney, S. and Parker, M. (2008) 'The Responsibilities of Management Intellectuals: A Survey', *Organization*, 15(2), 271-282.

Dunne, S. Mansell, S., Parker, M. and Veldman, J. (2016) 'The nature and purpose of the corporation: A roundtable discussion', *ephemera: theory and politics in organization*, 16(1), 135-153.

Eagleton, T. (1991). *Ideology: An introduction*. London: Verso.

Edmans, A., Gabaix, X., & Landier, A. (2009). A multiplicative model of optimal CEO incentives in market equilibrium. *Review of Financial Studies*, 22, 4881-4917.

Epstein, G. (2001). Financialization, rentier interests, and central bank policy. Available at: http://www.peri.umass.edu/fileadmin/pdf/financial/fin_Epstein.pdf, last accessed 26 August 2015.

Ertimur, Y, Ferri, F. & Muslu, V. (2011). Shareholder activism and CEO pay. *Review of Financial Studies*, 24, 535–592.

Ferri, F. & Maber, D. A. (2013). Say on pay votes and CEO compensation: Evidence from the UK. *Review of Finance*, 17, 527-563.

Foster, J.B., & McChesney, R.W. (2012). *The endless crisis: How monopoly-finance capital produces stagnation and upheaval from the USA to China*. New York: Monthly Review Press.

Fournier, V. & Grey, C. (2000). At the critical moment: Conditions and prospects for critical management studies. *Human Relations,* 53(1), 7-32.

Fox, J. (2013). The End of Economists' Imperialism. *Harvard Business Review,* January 4th

Froud, J., Haslam, C., Johal, S., & Williams, K. (2000). Restructuring for shareholder value and its implications for labour. *Cambridge Journal of Economics*, 24, 771-797.

Froud, J., Johal, S., Montgomerie, J., and Williams, K. (2010). Escaping the tyranny of earned income? the failure of finance as social innovation. *New Political Economy*, 15(1), 147-164.

Galbraith, J (2014). Unpacking the first fundamental law. *Real-World Economic Review*, 69, 145-148.

George, J.M. (2014). Capitalism and compassion: implications for organizational studies. *Journal of Management*, 40, 5-15.

Ghoshal, S. (2005). Bad management theories are destroying good management practices. *Academy of Management Learning and Education,* 4(1), 75-91.

Gindis, D. (2009) 'From fictions and aggregates to real entities in the theory of the firm', *Journal of Institutional Economics,* 5(1), 25-46.

Goranova M., Ryan L.V. (2014). Shareholder Activism: A Multidisciplinary View. *Journal of Management,* 40(5), 1230-1268.

Grady, J. (2010). From Beveridge to Turner: Laissez-Faire to Neoliberalism. *Capital and Class,* 34(2), 163-180.

Grady, J. (2013). Trade Unions and the Pension Crisis: Defending Member Interests in a Neoliberal World. *Employee Relations*, 35(3), 294-308.

Graeber, D. (2011). *Debt: The first 5,000 years*. Brooklyn: Melville House Publishing.

Graeber, D. (2013). The *democracy project: A history, a crisis, a movement*. London: Allen Lane/Penguin.

Greenwood, A. and Bernardi, A. (2014) 'Understanding the rift, the (still) uneasy bedfellows of History and Organization Studies', *Organization*, 21(6), 907-932.

Grey, C. (2010) 'Organizing studies: Publications, politics and polemic', *Organization Studies,* 31(6), 677-694.

Grey, C. and Willmott, H. (2002) 'Contexts of CMS', *Organization*, 9(3), 411-418.

Hacker, J. S. (2006). *The great risk shift: The assault on American jobs, families, health care, and retirement—And how you can fight back*. New York: Oxford University Press.

Hanlon, G. (2015) *The Dark Side of Management: A Secret History of Management Theory*. London: Routledge.

Harney, S. (2011). A divertissement on the financial crisis: we've been speculating. *Organization,* 18(2), 237-238.

Harvey, D (2014). Afterthoughts on Piketty's *Capital*. *Challenge*, 57(5), 81-86.

Harvie, D., Lightfoot, G., Lilley, S. & Weir, K. (2012). What are we to do with feral publishers? *Organization*, 19(6), 905–914.

Hassard, J., Hogan, J. and Rowlinson, M. (2001) 'From labor process theory to critical management studies', *Administrative Theory and Practice,* 3, 339-362.

Hills, J., (2010), *An Anatomy of Economic Inequality in the UK: Report of the National Equality Panel*, London: Government Equalities Office.

Hinings, C. R., & and Greenwood, R. (2002). Disconnects and Consequences in organization theory? *Administrative Science Quarterly*, 47: 411-421.

Hulme, D. and Toye, J. (eds.) (2013) *Understanding poverty and well-being: bridging the disciplines.* London: Routledge

IMF (2005). Global financial stability report. April 2005. Available at: http://www.imf.org/external/pubs/ft/gfsr/2005/01/, last accessed 26 August 2015.

Jack, G. (2004) 'On Speech, Critique and Protection', *ephemera: theory and politics in organization,* 4(2), 121-134.

Jensen, M. C. & Murphy, K. J. (1990). CEO Incentives – It's not how Much you Pay, but How. *Harvard Business Review* (May-June), 138-53.

Jones, O. (2014). 'We need permanent revolution': how Thomas Piketty became 2014's most influential thinker. *The Guardian*, December 23rd.

Krippner, G.R. (2005). The financialization of the American economy. *Socio-Economic Review*, 3(2), 173-208.

Krugman, P. (2007). *The conscience of a liberal*. London: W.W. Norton.

Kunkel, B (2014) 'Paupers and Richlings', *London Review of Books,* 36(13), 17-20.

Kuznets, S. (1953) *Shares of Upper Income Groups in Income and Savings*

Lanchester, J. (2014) *How to speak money*. London: Faber & Faber.

Langley, P. (2004). In the eye of the 'perfect storm': the final salary pensions crisis and financialisation of Anglo-American capitalism. *New Political Economy*, 9(4), 539-558.

Lazonick, W., & O'Sullivan, M. (2000). Maximizing shareholder value: a new ideology for corporate governance. *Economy and Society*, 29(1), 13-35.

Lazzarato, M. (2012). *The making of the indebted man: Essay on the neoliberal condition*. Los Angeles: Semiotext(e)

Lilley, S. and Parker, M. (2016) 'Management knowledge in the mirror: Scholarship, fashion and Simmel', *ephemera: theory and politics in organization,* 16(2), 11-30.

Littler, J. (2013) 'Meritocracy as Plutocracy: The Marketising of 'Equality' Under Neoliberalism', *New Formations,* 80&81 (Winter), 52-71.

Martin, R. (2002). *Financialization of daily life*. Philadelphia: Temple University Press.

Mazzucatto, M. (2011). *The Entrepreneurial State: Debunking Public vs. Private Sector Myths.*

McCall, L. (2014). The political meanings of social class inequality, *Social Currents*, 1(1), 25-34

McCloskey, D. N. (2014). Measured, unmeasured, mismeasured, and unjustified pessimism: a review essay of Thomas Piketty's *Capital in the twenty-first century*. *Erasmus Journal for Philosophy and Economics*, 7(2), 73-115.

McGuire, G. M. (2002) 'Gender, Race, and the Shadow Structure: A Study of Informal Networks and Inequality in a Work Organization'

McSweeney, B. (2009). The roles of financial asset market failure denial and the economic crisis: Reflections on accounting and financial theories and practices. *Accounting, Organizations and Society*. 34(6-7), 835-848.

Maclean, M., Harvey, C., & Chia, R. (2010). Dominant corporate agents and the power elite in France and Britain, *Organization Studies*, 31(3), 327-348

Milanovic, B. (2012). *Haves and the have-nots.* New York: Basic Books.

Milanovic, B. (2014). The return of 'Patrimonial Capitalism': A review of Thomas Piketty's *Capital in the Twenty-First Century*. *Journal of Economic Literature*, 52(2), 519-534.

Mills, C.W. (1956) *The power elite*. Oxford: Oxford University Press.

Miller, J. (2014) 'Osborne abandons challenge to EU cap on bankers' bonuses', 20th of November 2014. http://www.bbc.co.uk/news/business-30125780. Last accessed 9th of June 2015

Mirowski, P. (2013). *Never let a serious crisis go to waste*. London: Verso.

Murphy, R. (2011) *The courageous state: Rethinking economics, society and the role of government*. London: Searching Finance Ltd.

Murphy, J. & Ackroyd, S. (2013). Transnational corporations, socio-economic change and recurrent crisis. *Critical Perspectives on International Business*, 9(4), 336-357.

O' Brien, D., Laurison, D., Miles, A and Friedman, S (2016) 'Are the creative industries meritocratic? An analysis of the British Labour Force Survey', *Cultural Trends*, 25(2), 116-131.

Overbeek, H. (1990). Global capitalism and national decline. The Thatcher decade in perspective, London: Unwin Hyman.

Palley, T. (2015) 'Inequality, the financial crisis and stagnation: competing stories and why they matter', *Macroeconomic Policy Institute Working Paper Series*, 151: http://www.boeckler.de/pdf/p_imk_wp_151_2015.pdf Last accessed 14th June, 2015.

Parker, M. (2014) 'Between sociology and the business school: critical studies of work, employment and organization in the UK', *The Sociological Review*, 63(1), 162-180.

Parker, M. (2002) *Against Management: Organization in the age of managerialism.* London: Polity Press.

Piketty, T., Sachs, J., Flassbeck, H., Rodrik, D., and Wren-Lewis, S. (2015). Austerity has Failed: An Open Letter from Thomas Piketty to Angela Merkel. Available online at:

http://www.thenation.com/article/austerity-has-failed-an-open-letter-from-thomas-piketty-to-angela-merkel/, last accessed 26 August 2015.

Piketty, T. (2016) *Chronicles: On Our Troubled Times.* London: Viking.

Piketty, T. (2015). Putting Distribution Back at the Center of Economics: Reflections on *Capital in the Twenty-First Century*. *Journal of Economic Perspectives*, 29(1), 67-88.

Piketty, T. (2014a). *Capital in the Twenty-First Century*. Trans. Arthur Goldhammer. Harvard: Harvard University Press.

Piketty, T. (2014b). Piketty response to FT data concerns. *Financial Times*, May 23rd.

Piketty, T., & Saez, E. (2007). How progressive is the U.S. federal tax system? A historical and international perspective. *Journal of Economic Perspectives*, 21(1), 3-24.

Piketty, T., & Saez, E. (2012). Optimal labor income taxation. Working paper, available online at: http://eml.berkeley.edu/~saez/piketty-saez11handbook_v10.pdf, last accessed 26 August 2015.

Piketty, T., & Saez, E. (2013). A theory of optimal inheritance taxation. *Econometrica*, 81(5), 1851-1886.

Piketty, T., Saez, E., & Stantcheva, S. (2014). Optimal taxation of top labor incomes: A tale of three elasticities. *American Economic Journal: Economic Policy*, 6(1), 230-271.

Read, R. (2015). Green economics versus growth economics: The case of Thomas Piketty. *Radical Philosophy*, 189 (Jan/Feb), 9-13.

Reed, M.I. (2012). Masters of the Universe: Power and elites in organization studies, *Organization Studies*, 33(2), 203-221.

Riaz, S. (2015). Bringing inequality back in: The economic inequality footprint of management and organizational practices. *Human Relations*, 68(7), 1085-1097.

Riaz S, Buchanan S and Bapuji H (2011) Institutional work amidst the financial crisis: Emerging positions of elite actors. *Organization* 18(2), 187–214.

Ridgeway, C. L. (2014). Why status matters for inequality. *American Sociological Review*, 79(1), 1-16.

Roscoe, P. (2014). Middle Class? Bad Luck. *Times Higher Education*, May 1st.

Savage, G. C. (2016). Think tanks, education and elite policy actors. *The Australian Educational Researcher*, 43(1): 35-53.

Savage, M. (2014). Piketty's challenge for sociology. *British Journal of Sociology*, 65(4), 591-605.

Savage, M. & Williams, K. (2008). Elites: remembered in capitalism and forgotten by social sciences. *The Sociological Review*, 56(S1), 1-24.

Sikka, P. (2009). Financial crisis and the silence of the auditors. Accounting, Organizations and Society, 34,868–873.

Sikka, P. (2010). Smoke and mirrors: Corporate social responsibility and tax avoidance. *Accounting Forum*, 34, 153-168.

Sikka, P. (2012). The tax avoidance industry. *Radical Statistics*, 107, 15-30.

Simon, H. (1965) *Administrative Behaviour: A Study of Decision Making in Administrative Organisations*. New York: The Free Press

Skeggs, B. (2015). Introduction: stratification or exploitation, domination, dispossession and devaluation? *The Sociological Review*, 63(2), 205-222.

Slemrod, J. & Wilson, J.D. (2009). Tax competition with parasitic tax havens. *Journal of Public Economics* 93, 1261–1270.

Standing, G. (2014). *The Precariat – The new dangerous class*. London: Bloomsbury

Stiglitz, J. (2013). *The price of inequality*. London: Penguin.

Tatli, A. (2012) 'On the Power and Poverty of Critical (Self) Reflection in Critical Management Studies: A Comment on Ford, Harding and Learmonth', *British Journal of Management*, 23(1), 22-30.

Therborn, G. (1978) *What does the ruling class do when it rules?* London: Verso.

Thompson, P. (2003). 'Disconnected capitalism: or why employers can't keep their side of the bargain'. *Work, Employment and Society*. 17(2) pp 359–378.

Thompson, P. & Ackroyd, S. (1995). All quiet on the workplace front? A critique of recent trends in British Industrial Sociology. *Sociology*, 29(4), 615-633.

Thompson, P. & Harley, B. (2012). Beneath the radar: a critical realist analysis of 'the knowledge economy' and 'shareholder value' as competing discourses. *Organization Studies*, 33(10), 1363-1381.

Toscano, A. & Woodcock, J. (2015). Spectres of Marxism: a comment on Mike Savage's market model of class different. *The Sociological Review*, 63(2), 512-523.

Trefle, C. (2015). Debating Capital in the 21st Century with Piketty himself. *BlaqSwans*, 2nd May: http://blaqswans.org/en/2015/05/debating-capital-in-the-21st-century-with-piketty-himself/ Last accessed 14th June.

Tsoukas, H. (2016) 'Don't simplify, Complexity: From Disjunctive to Conjunctive Theorizing in Organization and Management Studies', *Journal of Management Studies*. Early View.

Van der Zwan, N. (2014). Making sense of financialization. *Socio-Economic Review*, 12(1), 99-129.

Varoufakis, Y. (2008). Game theory: Can it unify the social sciences? *Organization Studies*, 29(8/9), 1255-1277.

Veldman, J. (2013). Politics of the corporation. *British Journal of Management*, 24(S1), S18-S30.

Veldman, J. & Willmott, H. (2013). What is the corporation and why does it matter? *M@n@gement*, 16 (5), 605-620.

Walsh, J.P., K. Weber & J. D. Margolis (2003). Social issues in management: Our lost cause found. *Journal of Management*, 29(6), 859-881.

Weber, M. (2004). *The vocation lectures*, edited by Owen, D., & Strong, T. Illinois: Hackett Books.

Wedel, J. R. (2015). This is why Piketty matters: Davos and the real story about economics and the 1 percent. *Salon*, February 1st.

Wilkinson, R & Pickett, K (2009). *The Spirit Level: Why more equal societies almost always do better.* London: Penguin.

Wray-Bliss, E. (2003) 'Research subjects/research subjections: Exploring the ethics and politics of critical research', *Organization*, 10(2), 307-325.

Wright, E. O. (2015). Stay Classy, Piketty. *Public Books.* Available online at*:* www.publicbooks.org/nonfiction/ the-piketty-effect-part-1

Zahra, S.A. & Newey, L.R. (2009). Maximizing the impact of organization science: theory-building at the intersection of disciplines and/or fields. *Journal of Management Studies*, 46(9), 1059-1075.

---

[i] "I can now present the first fundamental law of capitalism, which links the capital stock to the flow of income from capital. The capital/income ratio β is related in a simple way to the share of income from capital in national income, denoted α. The formula is

$\alpha = r \times \beta$

where *r is the rate of return on capital."* (*ibid:* 52)

[ii] "In the long run, the capital/income ratio β is related in a simple and transparent way to the savings rate *s* and the growth rate *g* according to the following formula:

$\beta = s/g$" (*ibid*: 166)

[iii] Of these two "fundamental laws", and the relationship between them, Piketty writes:

> "It is important to realize that the law α = *r* × β is actually a pure accounting identity, valid at all times in all places, by construction...By contrast, the law β = *s* / *g* is the result of a dynamic process: it represents a state of equilibrium toward which an economy will tend if the savings rate is *s* and the growth rate *g*, but that equilibrium state is never perfectly realized in practice." (*ibid*: 168-169)

[iv] "Ultimately, the World Top Incomes Database (WTID), which is based on the joint work of some thirty researchers around the world, is the largest historical database available concerning the evolution of income in e quality; it is the primary source of data for this book." (Piketty, 2014: 17).